



General Assembly

February Session, 2018

***Raised Bill No. 5447***

LCO No. 2275



Referred to Committee on EDUCATION

Introduced by:  
(ED)

***AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
AUDITORS OF PUBLIC ACCOUNTS CONCERNING PRIVATE  
PROVIDERS OF SPECIAL EDUCATION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-91j of the 2018 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective July 1, 2018*):

4 (a) Any agreement entered into or amended on or after July 1, [2017]  
5 2018, but prior to June 30, 2019, or any contract entered into or  
6 amended on or after July 1, 2019, pursuant to section 10-76d, between a  
7 local or regional board of education and a private provider of special  
8 education services, as defined in section 10-91g, as amended by this  
9 act, may include the following provisions: (1) A requirement that such  
10 private provider of special education services submit monthly or  
11 quarterly reports to such board regarding the specific services and  
12 frequency of such services being provided by such private provider of  
13 special education services to students under the agreement or contract,  
14 and (2) authorization for such board to (A) review and reconcile such

15 reports to the contracted services described in the agreement or  
 16 contract, or (B) conduct periodic site visits at the location where such  
 17 private provider of special education services provides services.

18 (b) On and after July 1, 2019, a local or regional board of education  
 19 shall not be eligible for reimbursement pursuant to section 10-76g for  
 20 any costs of special education paid by such board of education to a  
 21 private provider of special education services unless such board of  
 22 education has entered into a written contract with such private  
 23 provider of special education services for the provision of such special  
 24 education services. The individualized education program of a child  
 25 shall not be considered a contract between a local or regional board of  
 26 education and a private provider of special education services for  
 27 purposes of this section. Nothing in this subsection shall be construed  
 28 to limit or interrupt the provision of special education and related  
 29 services to a child by a local or regional board of education or private  
 30 provider of special education services.

31 Sec. 2. (NEW) (*Effective from passage*) Not later than January 1, 2019,  
 32 the Commissioner of Education shall develop a rate schedule for the  
 33 amount or range of amounts that may be charged by a private  
 34 provider of special education services, as defined in section 10-91g of  
 35 the general statutes, as amended by this act, to a local or regional  
 36 board of education in a contract for the provision of special education  
 37 and related services pursuant to sections 10-76d and 10-91j of the  
 38 general statutes, as amended by this act. Such rate schedule shall  
 39 include, but need not be limited to, a percentage limitation on the  
 40 amount that a private provider of special education may allocate for  
 41 administrative costs, standards for the provision of such services,  
 42 guidelines to assist local and regional boards of education in selecting  
 43 and approving such services and guidance on how such services are to  
 44 be documented by private providers of special education services. The  
 45 commissioner shall make the rate schedule available to local and  
 46 regional boards of education and private providers of special  
 47 education, and shall post the rate schedule on the Department of  
 48 Education's Internet web site.

49 Sec. 3. Subsection (b) of section 10-91h of the 2018 supplement to the  
50 general statutes is repealed and the following is substituted in lieu  
51 thereof (*Effective July 1, 2018*):

52 (b) Each local and regional board of education that has entered into  
53 an agreement or contract pursuant to [section] sections 10-76d and 10-  
54 91j, as amended by this act, with a private provider of special  
55 education services, shall submit to an audit conducted by the Auditors  
56 of Public Accounts for the purposes of examining such board's  
57 monitoring of student attendance at such private provider of special  
58 education services to ensure that proper services are being provided  
59 and costs are being controlled. Such board shall provide access to all  
60 records and accounts necessary to said auditors for purposes of  
61 conducting such audit.

62 Sec. 4. Section 10-91g of the 2018 supplement to the general statutes  
63 is repealed and the following is substituted in lieu thereof (*Effective July*  
64 *1, 2018*):

65 (a) As used in this section and sections 10-91h and 10-91i, as  
66 amended by this act, "private provider of special education services"  
67 means any private school or private agency or institution, including a  
68 group home, that receives any state or local funds as a result of  
69 providing special education services to any student with an  
70 individualized education program or for whom an individual services  
71 plan has been written by the local or regional board of education  
72 responsible for educating such student.

73 (b) In accomplishing their duties as set forth in section 7-396a and in  
74 accordance with the authority granted under chapter 111, the Auditors  
75 of Public Accounts shall act as an agent of a local or regional board of  
76 education for the purposes of conducting an audit to examine the  
77 records and accounts of any private provider of special education  
78 services that (1) has entered into an agreement or contract with a local  
79 or regional board of education, pursuant to [section] sections 10-76d  
80 and 10-91j, as amended by this act, or (2) receives any state or local

81 funds to provide special education and related services, in connection  
82 with any grant made by any state agency pursuant to any section of  
83 the general statutes or any public or special act. Such examination shall  
84 include a compliance audit of whether such state or local funds to  
85 provide special education and related services have been expended for  
86 allowable costs, in accordance with state and federal law and the  
87 individualized education program or individual services plan for each  
88 child receiving special education and related services from such  
89 private provider of special education services.

90 (c) The Auditors of Public Accounts shall conduct the audit  
91 described in subsection (b) of this section as follows: (1) The Auditors  
92 of Public Accounts, using a risk-based approach, shall audit private  
93 providers of special education services at a frequency that they deem  
94 necessary, except that no private provider of special education services  
95 shall have its records and accounts so examined more than once  
96 during such five-year period, unless the auditors have found a  
97 problem with the records and accounts of such private provider of  
98 special education services during such five-year period; (2) audits shall  
99 be of private providers of special education services approved by the  
100 Department of Education and of private providers of special education  
101 services not approved by the Department of Education; and (3) priority  
102 of conducting such audits, as practical, shall be given to those private  
103 providers of special education services (A) that receive the greatest  
104 total amount of state or local funds for the provision of special  
105 education services to students, (B) that provide special education  
106 services to the highest number of students for whom an individual  
107 services plan has been written by a local or regional board of  
108 education, and (C) that have a highest proportion of state and local  
109 funds for the provision of special education services in relation to their  
110 total operational expenses.

111 (d) The Auditors of Public Accounts may (1) consult the Department  
112 of Education during the course of an audit described in subsection (b)  
113 of this section for the purposes of conducting such audit, and (2) share  
114 any preliminary audit findings with the department.

115 (e) The Auditors of Public Accounts shall report their findings to (1)  
 116 the local or regional board of education that has entered into an  
 117 agreement or contract with the private provider of special education  
 118 services, pursuant to [section] sections 10-76d and 10-91j, as amended  
 119 by this act, or that has completed an individualized education program  
 120 or individual services plan for a student receiving special education  
 121 and related services from a private provider of special education  
 122 services, (2) the Commissioner of Education, and (3) the joint standing  
 123 committee of the General Assembly having cognizance of matters  
 124 relating to education, in accordance with the provisions of section 11-  
 125 4a.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2018</i>	10-91j
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2018</i>	10-91h(b)
Sec. 4	<i>July 1, 2018</i>	10-91g

**Statement of Purpose:**

To require that boards of education enter into contracts with private providers of special education and to clarify that individualized education programs are not considered contracts, and to require the Commissioner of Education to establish a rates schedule for the provision of special education by private providers of special education services.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*